



PRESS RELEASE

*Office of the United States Attorney
Middle District of Florida*

PAUL I. PEREZ
UNITED STATES ATTORNEY

400 North Tampa Street
Suite 3200
Tampa, Florida 33602
813/274-6000
813/274-6300 (Fax)

Post Office Box 600
200 West Forsyth Street
Jacksonville, Florida 32201
904/232-2682
904/232-2620 (Fax)

80 North Hughey Avenue,
Room 201
Orlando, Florida 32801
407/648-7500
407/648-7643 (Fax)

2110 First Street,
Suite 3-137
Fort Myers, Florida 33901
239/461-2200
239/461-2219 (Fax)

Contact: Steve Cole ♦ Public Affairs Specialist ♦ 813/274-6352

For Immediate Release

August 7, 2002

7 CORPORATIONS SENTENCED IN HEALTH CARE FRAUD CASE

TAMPA - Today, federal authorities announced that seven corporations, namely DBB, Inc., G.S. Care Corp., Gold Star Healthcare, Inc., Med-Care Distributors, Inc., T-Tech Medical Services, Inc., Trans-Capital Investment Group, Inc., and Fulcrum Services, Inc., were sentenced by the Honorable James D. Whittemore to 5 years probation and ordered to pay cumulative restitution to the Medicare and Medicaid programs of \$5,477,152. The restitution orders breakdown by corporation as follows:

DBB, Inc.	\$1,206,861
G.S. Care Corp.	\$ 757,067
Gold Star Healthcare, Inc.	\$ 947,283
Med-Care Distributors, Inc.	\$ 740,407
T-Tech Medical Services, Inc.	\$ 380,573
Trans-Capital Investment Group, Inc.	\$1,444,961

Each of the seven corporations had previously pleaded guilty to felony offenses relating to a massive Medicare and Medicaid fraud scheme involving a loss of \$14,445,429.

The sentencings were the latest in a lengthy multi-agency investigation dubbed "Operation Hardgear" concerning fraudulent billings by durable medical equipment ("DME")

companies operating primarily in the Tampa Bay area. Other than the seven corporations sentenced today, the investigation has previously netted guilty pleas in this case or related cases from Barry Douglas Haught of Tampa, Phillip Lipsey of Orlando, James Taylor of Georgia, James Mallory of Georgia, Dennis E. Rodriguez of Odessa, Fred D. Ford, Jr., of Tampa, John C. Merlino of Tampa, John S. Bidelspach, D.P.M., of Palm Harbor, along with DME companies Nursery Road Villa, Duramed, Inc., Medmaster Services, Inc., and Gold Star Medical Services, Inc.

Trial is scheduled to be held for the remaining defendants in mid-January of 2003. It is anticipated that any individual defendants who have pleaded guilty prior to the trial date will be sentenced shortly thereafter.

The "Operation Hardgear" investigation, which is continuing, is being conducted jointly by the Federal Bureau of Investigation, the Office of the Inspector General of the United States Department of Health and Human Services, the Medicaid Fraud Control Unit of the Florida Attorney General's Office, and the Internal Revenue Service. The cases are being prosecuted by Assistant United States Attorneys Terry A. Zitek, Pamela Cothran, Amanda Kaiser, and Jay G. Trezevant.

/////